

What's in your Wallet?



Negotiating Salary

by Connie Blaine

Women are less likely than men to negotiate for higher pay, and it can be costly to them. In “Women Don’t Ask,” by Linda Babcock and Sara Laschever, writes Alan B. Krueger in the New York Times’ feature “Economic Scene”, women end up with lower pay because of this failure to negotiate.

One study found that **male** graduates of an Ivy League business school negotiated for a 4.3 percent higher starting salary than they were initially offered, while **female** graduates settled for just 2.7 percent. Over time, the advantage could snowball. If men negotiated a 2 percent raise each year and women accepted 1 percent, after 40 years their annual salary would be nearly 50% less than men’s—all because of women’s aversion to negotiating! And the cumulative gap over a career could exceed \$440,000! This makes knowing how to negotiate, and having the will to do it, as valuable as your education.

With the steady decline in union membership and the rise in households headed by women, the reluctance of women to bargain takes on even more significance. So how do you negotiate for higher pay?

Here are the things you need to know and do *before* you walk in to the final interview:

- Know what realistic wages are in your area for the occupation. Go to this website to do research on wages in Utah: <http://jobs.utah.gov/jsp/wi/utalmis/default.do>. Realize that wages depend on many factors, and can vary a lot even in the same occupation. Know what’s realistic for your area and your qualifications.
- Give yourself credit. List your skills, knowledge and abilities in detail. What and how much experience in the occupation do you bring to the table? As a rule, men tend to overestimate their worth, and women tend to underestimate theirs. Pretend you’re a man with the same skills and experience, and see if your opinion of your worth would rise. If so, revise your worth to that level.
- Assess the job market in your area. Do this by talking to people in the occupation you want, to DWS staff and/or talking to employers about how hard it is to find qualified people for that occupation. If there’s a shortage of workers in your field, you can negotiate for a higher wage than if there is a glut of people looking for those jobs.

Tips from the experts on negotiating your next salary:

- Try to get a figure or pay range from the recruiter or interviewer first.
- Wait until a firm offer is given before negotiating. Then, only negotiate if you are seriously considering taking the job.
- Never say what you are currently making (or made in your last job). Answer in vague terms such as, "It was average for that field, but not up to the level of my skills and qualifications. But never misrepresent your past pay rate."
- Be assertive and firm with your counteroffer. Rachel Cohen, a recruiter for Muses, an expert in negotiations says: "Women forget that this is not about being as nice as possible. Don't apologize, don't backpedal. Firm is not rude—it is confident, strategic, and competent." Remember, you're looking for an employer, not a new best friend.
- Get final offers in writing before accepting, and don't accept on the spot. Tell them you'll need to consider it and ask when you can get back to them (then get back earlier than they say if you decide to accept.) Remember, you can always make a counter-offer and possibly get them to go higher.

First, you should seek out information on how much comparable workers are paid, or what benefits and working arrangements they have negotiated. Not surprisingly, employers are often reluctant to disclose such information. Fortunately, wage data for Utah for most occupations can be found at http://jobs.utah.gov/wi/statewide/statewide_bw.PDF.

Second, and probably most important, you must confront your fears. Because women are raised to be nice, considerate of others' feelings and often, to avoid conflict at all costs, negotiating can be very scary. It feels like conflict, like making someone mad, like being selfish and those are all things girls are taught not to do. But underlying all this is a big lie—that someone else will take care of you, so you don't have to fight for yourself.

It's a lie because all the facts refute it. Most women, even if they marry, will end up working while they are raising kids and taking care of their families too. Half of all marriage ends in divorce anyway, so you shouldn't count on a husband to take care of you. Even women who never divorce or become widows find it necessary to work--full-time--to make ends meet and/or have health insurance. And, think about it—nobody is ever going to be as concerned about your well-being as you yourself. Each of us has to first think of herself. That's a fundamental law of nature. To expect to be taken care of by someone else is just plain unrealistic. So women, to take care of themselves and their children, must confront those fears and vanquish them so they can become tough negotiators.

Finally, you have to learn HOW to negotiate. There are lots of good books and articles on this skill, directly relating to the workplace (but the skill also comes in very handy in other money-related situations, such as divorce, buying a car or house, etc.).

As an employee, you want to get as much money and as many benefits in your new job as you possibly can. Your future employer wants to get you and your skills as cheaply as possible, to save the company's money. In between these two positions is where the room is for negotiating your next salary. To get the most you can in pay and benefits, you must know how to negotiate. The three most important things to do are:

Prepare, prepare, prepare.



On the Web

<http://www.rileyguide.com/offers.html>
<http://naacp.monster.com/wo/articles/salnego/>
<http://www.bluesuitmom.com/money/career/negotiating.html>